



TAKE CONTROL

for Your Future

Get a deal on your wheels

Being smart about how you purchase your next vehicle is a great way to take control of your finances. In tough times, this may mean some sacrifices, like postponing the purchase of a new vehicle or downsizing the number of vehicles in your household. But, if you have a need to buy a car, here are some tips to help you get the most for your money.

Select the right model and price range

Make a car budget. How much can you afford to spend on a car or car payment? What about gas and insurance?

Consider your needs. Do you need sedan, two-door, people mover, fuel efficiency.

Will a used car meet your needs? Buying a used car helps you to avoid the depreciation curve: During the first year of ownership, a new car can lose up to 25 percent of its value, and by the fifth year, most cars will depreciate by about 65 percent. Recent studies show that 5-year-old cars have about the same reliability as brand new cars. So there's no excuse about reliability!

Can you pay cash for a used car? Save the amount you would spend on a car payment each month in a savings account until you have sufficient funds to buy an inexpensive used car. This way you avoid financing costs, worries about having bought too much car, worries about being "upside down" (owing more than the car's worth), and the added risk you would face if you wreck the car, lose your job or just can't make the payments.

Consult Consumer Reports, available at most libraries, for product reliability and maintenance history/projections. Consult Consumer Reports' lists of vehicles favored by thieves to make sure your choice will not have that risk and the related increased insurance costs.

Consider similar makes and models in the category, and select a first and second choice. Many cars share body styles even though the car is made by different manufacturers. Next,

contact your insurance company and inquire about insurance cost on the two vehicles by make and model. (e.g., www.amica.com)

Revisit the budget. Does the cost of insurance (and car payment if applicable) fit? If not, reconsider and select alternate vehicles. For example, insurance is generally more expensive for a SUV than a station wagon.

Locating a vehicle

- Check the local newspaper (paper or online) or www.cars.com to see the range of prices for the vehicle you selected in your area.
- Visit Kelley Blue Book (www.kbb.com) or Edmund's (www.edmunds.com) for prices on new and used vehicles. Most credit unions, banks and public libraries subscribe to these publications.
- Check with family and friends to see if they have a vehicle that is reliable and may be for sale.
- Contact car rental agencies and ask for their sales lot. (e.g., www.Enterprise.com)
- Look for vehicles locally on craigslist (<http://geo.craigslist.org/iso/us/nc>). Be aware that there are many scams out there, so never give out financial information. We suggest you follow the advice below very closely for your safety.

Before you buy

- Compile a list of the prices of comparable vehicles in the area with specific details about condition, options, blue book value and seller.

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